MONTANA LEGISLATIVE HISTORY

Chapter 643 19 85

Bill H 3 S _____ Original bill & history ✓C

H. Committee on State Admin		S. Committee on Finance & Claims	
Hearing Date(s) 1-9	✓C	Hearing Date(s) 1-18	✓C
_____	___C	2-7	✓C
_____	___C	_____	___C
_____	___C	_____	___C
Date Out _____	___C		

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

No minutes from Free Conf.

HOUSE FINAL STATUS

CHAPTER NUMBER 246 EFFECTIVE DATE: 7/01/85

HB 3 INTRODUCED BY MARKS
RAISE MINIMUM FOREST FIRE PROTECTION ASSESSMENT TO $30
BY REQUEST OF INTERIM SUBCOMMITTEE NO. 2

1/07	INTRODUCED		
1/07	REFERRED TO STATE ADMINISTRATION		
1/09	HEARING		
1/09	COMMITTEE REPORT-BILL DO PASS		
1/10	FISCAL NOTE REQUESTED		
1/11	2ND READING PASS	89	9
1/12	3RD READING PASS	86	7
	TRANSMITTED TO SENATE		
1/14	REFERRED TO FINANCE & CLAIMS		
1/14	FISCAL NOTE RECEIVED		
1/18	HEARING		
1/25	FISCAL NOTE REQUESTED		
1/31	FISCAL NOTE RECEIVED		
2/08	COMM REPORT-BILL CONCURRED AS AMENDED		
2/12	2ND READING CONCURRED AS AMENDED	50	0
2/14	3RD READING CONCURRED	49	1
	RETURNED TO HOUSE WITH AMENDMENTS		
3/05	2ND READING AMENDMENTS NOT CONCURRED	85	5
3/09	CONFERENCE COMMITTEE APPOINTED		
4/18	CONFERENCE COMMITTEE DISSOLVED		
4/18	FREE CONFERENCE COMMITTEE APPOINTED		
4/18	FREE CONFERENCE COMMITTEE REPORT		
	HOUSE		
4/19	2ND READING FREE CONFERENCE COMMITTEE REPORT ADOPTED	83	10
4/19	3RD READING FREE CONFERENCE COMMITTEE REPORT ADOPTED	94	4
	SENATE		
4/19	2ND READING FREE CONFERENCE COMMITTEE REPORT ADOPTED	49	1
4/19	3RD READING FREE CONFERENCE COMMITTEE REPORT ADOPTED	49	0
4/24	SIGNED BY SPEAKER		
4/24	SIGNED BY PRESIDENT		
4/25	TRANSMITTED TO GOVERNOR		
4/30	SIGNED BY GOVERNOR		

CHAPTER NUMBER 643 EFFECTIVE DATE: 7/01/85

HB 4 INTRODUCED BY MANUEL
GENERALLY AMEND TITLES 1, 2, 3, 5, 13, 25, 27, AND 45, MCA
BY REQUEST OF CODE COMMISSIONER

1/07	INTRODUCED		
1/07	REFERRED TO JUDICIARY		
1/08	HEARING		
1/08	COMMITTEE REPORT-BILL PASS AS AMENDED		
1/10	2ND READING PASS	93	6

HOUSE BILL NO. 3

INTRODUCED BY MARKS

BY REQUEST OF JOINT INTERIM SUBCOMMITTEE NO. 2

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING AN INCREASE IN THE MINIMUM CHARGE TO CLASSIFIED FOREST LANDOWNERS FOR FIRE PROTECTION UP TO $30; LIMITING ASSESSMENTS TO NO MORE THAN ONE-THIRD OF THE TOTAL APPROPRIATED BY THE LEGISLATURE FOR FOREST FIRE PROTECTION; AMENDING SECTIONS 76-13-201 AND 76-13-207, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 76-13-201, MCA, is amended to read:

"76-13-201. Duty of owner to protect against fire. (1) An owner of forest land classified as such by the department shall protect against the starting or existence and suppress the spread of fire on that land. This protection and suppression shall be in conformity with reasonable rules and standards for adequate fire protection adopted by the board.

(2) If the owner does not provide for the protection and suppression, the department may provide it at a cost to the landowner of not more than 16 cents per acre per year ~~and not less than $6~~ except that the department shall make a minimum assessment of up to $30 per owner per year in each protection district as necessary to yield the amount of money provided for in 76-13-207. The owner of the land shall pay to the county treasurer of the county in which the land is situated the charge for the same approved by the department in accordance with this part and part 1.

(3) No other charges may be assessed those landowners participating except in cases of proven negligence on the part of the landowner or his agent."

Section 2. Section 76-13-207, MCA, is amended to read:

"76-13-207. Determination and collection of costs of fire protection. (1) The department shall prepare an annual operation assessment plan in which fire protection costs are determined. The department shall request the legislature to appropriate the state's portion of the cost. After the appropriation is made by the legislature, the department shall cause an assessment to be made on the owners of classified forest land, as specified in 76-13-201, sufficient to bring the total amount received to the amount specified in the approved plan but the department may cause no assessment for forest fire protection to be made on owners of classified forest lands which will yield an amount greater than one-third of the total appropriated by the legislature for that purpose in that fiscal year.

(2) On or before August 1 preceding each regular session of the legislature, the department shall inform the legislative finance committee provided for in 5-12-201 of

LC 0068/01

INTRODUCED BILL

HB 3

the assessments it expects to make upon owners of classified forest lands under subsection (1) during each year of the next biennium.

~~(2)~~(3) On or before the second Tuesday in August of each year, the department shall certify in writing to the county assessor of each county the names of these owners of forest lands in his county, together with a description of their lands and a statement of the amount found to be due and owing by each of the owners to the department for forest fire protection.

~~(3)~~(4) Upon receiving the certificate from the department showing the amount due, the county assessor shall extend the amounts upon the county tax rolls covering the lands, and the sums shall become obligations of the owner to be paid and collected in the same manner and at the same time and with like penalties as general state and county taxes upon the same property are collected."

NEW SECTION. Section 3. Extension of authority. Any existing authority of the department of state lands to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. Section 4. Effective date. This act is effective July 1, 1985.

-End-

STATE OF MONTANA

FISCAL NOTE

REQUEST NO. FNN045-85

Form BD-15

In compliance with a written request received 1-10, 19 85, there is hereby submitted a Fiscal Note for House Bill 3 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

Description of Proposed Legislation: House Bill 3 provides for an inecease in the minimum charge to classified landowners for fire protection up to $30.00

Assumptions: 1) The fire assessment fee will be increased from $6.00 to $15.00.
2) The State will provide the additional fire protection and maintain the 1/3 landowner assessment in funding the State's fire program.

Fiscal Impact:

	FY 86		FY 87		Total Biennium	
	under current law	under proposed law	under current law	under proposed law	under current law	under proposed law
Expenditures						
Personal Services	472,105	538,201	487,492	668,347	959,597	1,206,548
Operating Expenses	316,441	350,356	318,650	366,474	635,091	716,830
Capital	41,454	208,022	43,858	67,019	85,312	275,041
Total Expenditures	830,000	1,096,579	850,000	1,101,840	1,680,000	2,198,419
Revenue						
Fed & Private	830,000	1,096,579	850,000	1,101,840	1,680,000	2,198,419
Estimated Increase		266,579		251,840		518,419

Affect on County or other local Revenue or Expenditures: N/A

Long Range Effects of Proposed Legislation:

House Bill 3 will allow the minimum fire assessment fee to increase up to $30.00 to provide for fire protection as required.

Technical or Mechanical Defects or Conflicts with Existing Legislation: N/A

David L Hunter

BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Jan 14, 1985

STATE OF MONTANA

REQUEST NO. LENN 045-85

FISCAL NOTE

Form BD-15

In compliance with a written request received January 28, 19 85, there is hereby submitted a Fiscal Note for House Bill 3/amended pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 3 provides for an increase in the minimum charge and the rate per acre to classified land for fire protection.

ASSUMPTIONS:

1. The fire assessment fee will be increased.
2. The State will provide the additional fire protection and maintain the 1/3 landowner assessment in funding the State's fire program.

FISCAL IMPACT:

	FY 86		FY 87		Total Biennium	
	Under Current Law	Under Proposed Law	Under Current Law	Under Proposed Law	Under Current Law	Under Proposed Law
Expenditures	830,000	1,096,579	850,000	1,101,840	1,680,000	2,198,419
Revenues						
Earmarked Spec. Revenue	830,000	1,096,579	850,000	1,101,840	1,680,000	2,198,419
Estimated Increase		266,579		251,840		518,419

AFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

NONE

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The proposed legislation allows the Department to increase fire assessments to provide for fire protection as required.

David L. Hunter

BUDGET DIRECTOR
Office of Budget and Program Planning

Date: JAN 31, 1985

FN3:T/3

HB 3
Amended

(To be kept current -- post bills when entering being heard or leaving committee.) Form CS-32

STATUS SHEET

Forty-Ninth LEGISLATIVE SESSION

COMMITTEE ON State Administration

BILL NO.	ENTERED COMM.	DATE CONSIDERED	OUT OF COMM.	DO PASS DATE	DO NOT PASS DATE	DO PASS AS AMEND. DATE	BE CONCURRED IN DATE	BE CONC. IN AS AMENDED DATE	BE NOT CONCURRED IN DATE
HB 3	1/7	1/9	1/9	1/9					
5	1/7	1/9	1/9	1/9					
7	1/7	1/8	1/8	1/8					
13	1/7	1/10	1/10	1/10					
14	1/7	1/10	1/10	1/10					
37	1/7	/10 TABLED AT	REQUEST OF SPONSOR						
51	1/7	1/11	1/15		1/15				
63	1/7	1/11	1/21	RECREFERRED TO APPROPRIATIONS					
70	1/7	1/10 & 1/17	1/17			1/17			
74	1/7	1/8	1/8		1/8				
78	1/7	1/8	1/8	1/8					
82	1/7	1/9	1/9		1/9				
84	1/7	1/11		HELD IN COMMITTEE AT REQUEST OF SPONSOR					
87	1/7	1/9	1/9		1/9				
94	1/7	1/8	1/8	1/8					
98	1/7	1/16, 1/17 1/15	1/15 & 1/17			1/15 1/17			

Use a separate sheet for Senate, House Bills, and Resolutions

MINUTES OF THE MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

January 9, 1985

The meeting of the State Administration Committee was called to order by Chairman Walter Sales on January 9, 1985 at 8:00 a.m. in Room 317 of the State Capitol Building.

Chairman Sales announced to the Committee that the meeting on Friday would be held at 9:30 a.m. because of conflicting meetings that are being held. Also the Governor will speak before the combined bodies at 10:30 a.m.

ROLL CALL: All members were present.

CONSIDERATION OF HOUSE BILL NO. 87: Rep. Joe Quilici, District #71, appeared before the Committee as sponsor of the bill which was introduced at the request of the Department of Military Affairs. This has also been studied by an interim committee. This Department is partially funded by the federal government but these funds cannot be assigned to states until shortly before the end of the federal fiscal year which is September 30th. The Department needs this bill so that they can get the money from the federal government to build or maintain some of the facilities. This is money that has been turned back by other states which did not use it. This would make for better buildings in the state but also the "Build Montana Program" will put a lot of people to work in Montana. This is a chance to get some federal funds into the state with no cost to the State of Montana.

PROPONENTS: Gen. Duffy of the Department of Military Affairs appeared as a proponent to the bill. Money is turned back by some states and reallocated to others. The Department had the authority to do some work at Ft. Harrison so they convinced the federal government to let them do the contracting. He also said that the federal government only pays 6% to pay the architect where the federal government pays 10%. They cannot spend any money unless this legislation is passed.

Barbara Martin representing the Governor's State Building Construction Advisory Council supported the bill. The Council felt this would be of benefit to the state.

There were no further proponents and no opponents present.

DISCUSSION OF HOUSE BILL NO. 87: Rep. Pistoria asked if we had maybe missed the boat in the past and lost some of this money. Gen. Duffy said that they had been able to pick up some of this money that had been turned back, however, some was lost. If they know the money is going to be available they go to the Legislature and ask for spending authority. In some instances, Gen. Duffy himself has accepted the liability instead of the State of Montana. Rep. Quilici said that if this money is turned back

during the interim the money cannot be appropriated. If they have a chance for additional funds we want to see that they receive them.

Rep. Jenkins asked how much money is being discussed. Rep. Quilici said that depends on how much money is turned back from other states. Kenneth Cottrill of the Department of Military Affairs said that this has, at times, been $200-300,000. They were authorized $86,000 to repair the roof at Ft. Harrison. That was in their long range building request so they accepted it. There are no matching funds; these are 100% federal funds.

Rep. Quilici closed his presentation on HB 87.

CONSIDERATION OF HOUSE BILL NO. 3: Rep. Bob Marks, District #75, introduced this legislation at the request of the Joint Interim Subcommittee No. 2. At the present time there is a minimum fee for fire protection for classified forest landowners of $6. The Subcommittee decided it would be more equitable to raise the minimum fee up to a minimum of $30 rather than increase the charge for larger blocks of land. These smaller tracts usually have a home on them and the incidence of fire is greater on these smaller tracts. The Committee felt that there is interest on the part of everybody to prevent fires and the landowner should not have to pay all of the costs. Chairman Sales asked Rep. Marks if this bill would have to have a Statement of Intent. Rep. Marks did not believe this would be necessary as they already have the rulemaking authority.

PROPONENTS: Dennis Hemmer of the Department of State Lands read his statement to the Committee, a copy of which is attached to these minutes as Exhibit #1. He also stated that these smaller tracts of land are the ones that are of concern. Most of them are made up of subdivisions, some are up small canyons which have limited access and most have homes on them and there is the potential for loss of lives.

There were no further proponents and no opponents present.

DISCUSSION OF HOUSE BILL NO. 3: Rep. Harbin asked if this was going to be a graduated increase building up to the $30. The answer was that this was the intention of the legislation - that it would gradually increase. Mr. Hemmer said that at this time there is no schedule for increases. Rep. Pistoria asked if federal aid is available on state owned forest land to which Mr. Hemmer said that this bill addresses state and private lands. The federal government comes in when a certain threshold is reached and after a higher threshold they pay 100%. Rep. Holliday wanted to know exactly what is a protection district. Mr. Hemmer said basically that a county sets up boundaries and votes for protection by the State. Basically, everything west of the Continental Divide is protected by this with the exception of communities. East of the Divide it would be what would be called the foothills.

Land that is in close proximity to these areas can be protected without increasing the cost - this can be done by subscription.

There were no further questions from the Committee.

In closing, Rep. Marks said that the maximum minimum fee of $30 is approximately the same as the 16¢ per acre that is charged for larger tracts of land. At 16¢ per acre this would work out to about 187A. The background material used in the Subcommittee is available to anyone that would like to check it. The person to contact would be Paul Verdon the Legislative Council Staff Person.

CONSIDERATION OF HOUSE BILL NO. 5: Rep. Manuel, District #11, stated that this is not a bill to raise pay but to clarify what is already being done. He explained the changes in the bill by sections. Prior authorization must be obtained in order for a legislator to be entitled to reimbursement for mileage, salary and expenses as provided in 2-18-501 and 502.

There were no proponents or opponents present.

DISCUSSION OF HOUSE BILL NO. 5: Rep. O'Connell questioned whether this bill had anything to do with the Legislature taking a 4-day break at transmittal deadline. It was her understanding that under Section 1(2) they would not be paid for the 4-day break. She felt that many people do not go home for these four days, their expenses are still incurred and they should be paid for those four days. Diana Dowling of the Legislative Council said that the legislators were paid for 3 days of the 4-day break but this bill does not address that at all. Legislators have automatically been entitled to be paid for one round trip per session. This bill entitles legislators to three additional round trips to their place of residence but claim forms must be turned in. Diana Dowling said that this is an old law and possibly was to prevent long recesses while still being paid.

Rep. Quilici said that a fiscal note was not needed on this bill - it is not going to cost any more money. This is just a clarification. There should not be any added expenditures and the money is already there but prior authorization must be obtained.

There were no further questions from the Committee. Rep. Manuel closed his presentation of HB No. 5.

CONSIDERATION OF HOUSE BILL NO. 82: Rep. Peck, District #15, explained the concept of the bill which would be to pay each legislator $200 per month between sessions, less an amount for each day spent on authorized legislative business for which he is otherwise paid. He said he had studied this thoroughly and and believed it was a significant piece of legislation if we are going to maintain people in the legisalture. Many can't afford to run for the legislature. Legislators are a Grade 8 on the State pay scale and

A short recess was held with executive action set for 9:20 a.m.

Hearing resumed at 9:20 a.m.

DISPOSITION OF HOUSE BILL NO. 3: Rep. Smith moved HB 3 DO PASS, seconded by Rep. Harbin. It was the consensus of the committee members in these protected areas that this was a very good piece of legislation. Motion CARRIED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 5: Rep. Fritz moved that HB 5 DO PASS, seconded by Kennerly. Motion CARRIED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 82: Rep. Phillips moved that HB 82 DO NOT PASS, seconded by Rep. Compton. Rep. Smith said he would like to see this bill on the floor of the House for discussion by the complete body. Chairman Sales felt that if it was killed in Committee Rep. Peck would be able to get the signatures required to get it onto 2nd Reading if that is what he wants to do. Rep. Harbin said that perhaps it could be tabled which would postpone any action but Chairman Sales didn't encourage that. Rep. Smith said that perhaps the bill should be killed in Committee and Rep. Peck could bring it out on the floor with the necessary signatures.

Rep. Garcia made a substitute motion DO PASS AND AMEND THE EFFECTIVE DATE TO 7/1/87. Roll call vote: 14-4. MOTION FAILED.

The question was then called for Rep. Phillips' original motion DO NOT PASS. Roll call vote: 14-4. MOTION CARRIED.

There being no further business the meeting was adjourned at 9:40 a.m.

Walter R. Sales

WALTER R. SALES, Chairman

ls

CS-30

(Type in committee members' names and have 50 printed to start).

DAILY ROLL CALL

State Administration COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 1/9/85

NAME	PRESENT	ABSENT	EXCUSED
Chairman Walter Sales	✓		
V-Chairman Helen O'Connell	✓		
Campbell, Bud	✓		
Compton, Duane	✓		
Cody, Dorothy	✓		
Fritz, Harry	✓		
Garcia, Rodney	✓		
Hayne, Harriet	✓		
Harbin, Raymond	✓		
Holliday, Gay	✓		
Jenkins, Loren	✓		
Kennerly, Roland	✓		
Moore, Janet	✓		
Nelson, Richard	✓		
Peterson, Mary Lou	✓		
Phillips, John	✓		
Pistoria, Paul	✓		
Smith, Clyde	✓		

Please attach to minutes.

STANDING COMMITTEE REPORT

January 9 19 75

MR. SPEAKER

We, your committee on STATE ADMINISTRATION

having had under consideration HOUSE Bill No. 3

First reading copy (White color)

RAISE MINIMUM FOREST FIRE PROTECTION ASSESSMENT TO $30

Respectfully report as follows: That HOUSE Bill No. 3

DO PASS

Walter R. Sales, Chairman.

COMMITTEE SECRETARY

STATE PUB. CO.
Helena, Mont.

Exhibit #1
1/9/85
HB #3

TESTIMONY - HOUSE BILL #3

DENNIS HEMMER - STATE LANDS COMMISSIONER

The Department of State Lands supports House Bill #3 which came as a recommendation of the Joint Interim Subcommittee No. 2. As way of background, the Forest Service protects two million more acres of state and private land than the state protects of Forest Service land. Historically the Forest Service has agreed to protect this acreage for the assessment, which up to this time has been 16¢ per acre. However, approximately two years ago the Forest Service notified the Department that it would either have to reduce the imbalance or pay full protection cost for those two million acres. This full protection cost would be somewhere between 44¢ and 66¢ per acre. The Department during the last session and in presentations to the Interim Subcommittee recommended that the state engage in a phased reduction. As long as the state stays in its phased reduction, the Forest Service will continue to charge the assessment cost of 16¢ per acre on the remaining acreage. However, if the state does not assume the increased protection, then the Forest Service will charge the full suppression cost. Through either option, it will cost the state more money.

The Department has recommended the $30 maximum, as contained in House Bill #3. The forest fire assessment collection has historically provided one third of the fire protection budget. This one-third private share to two-thirds public share appears to conform with the benefits received by each party. The share of the fire assessment funds provided by small ownerships, however, does not appear to be equitable in light of the values being protected and the increased fire incidence on small ownerships. For these reasons, the Department has recommended the increase in the minimum fee to $30. It would not be the Department's intention to immediately increase the assessments to the full $30. Rather, depending on the outcome of the block assumption, each biennium the Department would increase the assessment sufficiently to cover the increased costs.

The Department of State Lands supports the adoption of House Bill #3 in order to provide sufficient funding and maintain an adequate level of protection.

VISITOR'S REGISTER

HOUSE _____ COMMITTEE

BILL 35, 82, 87 DATE 1/9/85

SPONSOR _____

NAME	RESIDENCE	REPRESENTING	SUP-PORT	OP-POSE
Richard Sandman	Missoula	Dept. State Lands		
Bill Kirkpatrick	"	Champion Int'l	X 3	
General Delfry	Helena	Dept M.A.	X	
Kenneth Cottrell	"	"	X	
CL Gilbertson	"	"	X	
Joe Quilici	Butte	Self	X	
Robert Marks	Helena	Gov's Adv. Council	X	
Dan Oliver	Helena	Mt. Wood Products Assn	X (HJR 3)	
Dennis Hemmer	Helena	Dept of State Lands	X	
Todd Hubak	~~Hoffman Hts of Helena~~	MEIC	3X	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

FORM CS-33

CHAIRMAN--REGAN, PAT
SECRETARY-KINSEY, SYLVIA
NORMAL SCHEDULE==> SITE: ROOM 108 DAYS: M-TU-W-TH-F TIME: 8:00-11:30 A.M.

BILL NO	REFER DATE	HEARING DATE	CONSIDERATION DATES	COMMITTEE ACTION	REREFERRED TO COMM	DATE OUT
HB0001		1/09	1/09	CONCUR		1-9
BARDANOUVE, FRANCIS			FEED BILL			
HB0003		1/18	1/18 2/07 2/07	CONCUR AS AMENDED		2-7
MARKS, ROBERT L. (BOB)			RAISE MINIMUM FOREST FIRE PROTECTION ASSESSMENT TO $30			
HB0012		4/18	4-18, 4-19	CONCUR AS AMENDED		4-19
BARDANOUVE, FRANCIS			STATUTORY APPROPRIATIONS - DEFINING AND ESTABLISHING			
HB0014		4/10	4-10, 4-12	CONCUR AS AMENDED		4-12
ASAY, TOM			CREATING INDIAN AFFAIRS COMMITTEE UNTIL 1991			
HB0022					HIGHWAYS & TRANS.	1-30
HARP, JOHN G.			ALLOWING HIGHWAY RECONSTRUCTION TRUST FUND USE FOR ALL HIGHWAYS			
HB0123		1/24	1/24	CONCUR		1-24
THOFT, BOB			CULTURAL AND AESTHETIC GRANT PROJECTS HEARD BY LONG-RANGE PLANNING SUBCOMM.			
HB0141		2/13	2/13	CONCUR		2-13
MANUEL, REX			DEPARTMENT OF HEALTH ALLOWED TO CHARGE FOR SYPHILIS TESTS			
HB0203		4/04	4-4	CONCUR AS AMENDED		4-4
BARDANOUVE, FRANCIS			APPROPRIATIONS IN LIEU OF BUDGET AMENDMENT - FISCAL YEAR ENDING 6/30/85			
HB0206		4/09	4-9, 4-12	CONCUR		4-12
BARDANOUVE, FRANCIS			SUPPLEMENTAL APPROPRIATIONS BILL			
HB0212		4/09	4-9, 4-18	CONCUR		4-18
EUDAILY, RALPH S.			TO APPROPRIATE FUNDS TO SUPT. OF PUBLIC INST. FOR PUBLIC SCHOOL SUPPORT			
HB0224		4/19		CONCUR		4-19
ASAY, TOM			APPROPRIATE $1.7 MILLION LRBP FUNDS TO DOA FOR AIRPORT IMPROVEMENT LOANS			

MINUTES OF THE MEETING
FINANCE AND CLAIMS COMMITTEE
MONTANA STATE SENATE

January 18, 1985

The 2nd meeting of the Senate Finance and Claims Committee met in room 108 of the State Capitol on the above date.

ROLL CALL: Roll call was taken and all members were present except Senator Story.

Senator Regan declared a quorum present and the meeting was called to order at 4:15 p.m.

CONSIDERATION OF HOUSE BILL 3: Senator Regan, Chairman, said the purpose of the meeting was to hear House Bill 3 and that Representative Marks, sponsor of the bill would present it to the committee.

Representative Marks, sponsor of the bill said he had introduced this bill by request of the Joint Interim Subcommittee # 2, and that Senator Boylan was also a member. He said this bill would allow a change in the minimum charge for land in forest areas for fire protection--16¢ an acre for forest land and a minimum of $6. The smaller ones are $6 and the larger owners are 16¢ an acre. At the present time there is not sufficient funds to come up to the ratio of 1/3 for the landowner and 2/3 other. To keep the ratio there needed to be a raise in funding in some area. Raise the 16¢ an acre or the $5 an acre or a combination of the two. The committee decided the compliance should be maintained and the cost of protecting land is greater than the land-owners interest. (fire protection for wild life, water, stream polution, etc) also 16¢ an acre was high enough because of the instances of fire on the land had not increased and on the smaller ones probably had increased. The statistics given by the Department of Lands, the larger ones--the owners regularly supplied some help in fighting and should be some consideration in assessment. Also in some (especially residential) areas, I think with a home it was probably going to be a lot higher. They recommended the committee be authorized to raise the minimum fee up to $30. 188 acres would be the breaking point. The bill is drafted in such a manner that the department in consultation would be able to make adjustments. Mr. Hemmer can probably give you some information on it. It would be a gradual increase up to that amount as it was needed. The provision to act with the finance committee to let them follow it.

PROPONENTS: Dennis Hemmer, State Lands Commissioner spoke as a proponent of House Bill 3. His testimony is attached as exhibit 1.

There were no further proponents, no opponents, and Chairman Regan called for questions from the committee.

QUESTIONS FROM THE COMMITTEE:

SENATOR HIMSL: At the present time there are areas of land where we pay the fire land protection to the forest service right now at $6 which is a fee up to 38 acres, over and above that is 16¢ a acre, but also in the local fire district which is a volunteer fire district, and there is a mill levy on it too. There is an area of this that we are getting a double whammy on because of a difference between fire life and structure. In an area where structures exist we are paying fire life on both. Can the land-owner escape one or both?

Richard Sandman, Department of Lands, said the mill levy would be much higher if they had to pay the fire life. It is de-classified as fire-life if structures are enough that it can be turned over to the fire department. The fire department is not set up to fight forest fires. Normally their assessment only covers structures.

SENATOR HIMSL: We have land where there are no structures at all. Substantial holdings, a few homes there and they petition that you get included and you go pay it on the whole thing and you can do nothing about it. Sandman: That is true.

SENATOR HIMSL: This bill seems to be quite flexible that you are making an assessment up to $30. How are we going to do that? Hemmer: The next biennium we set it and it will be okayed before the Legislative committee. It will recommend to the Legislative Finance Committee and tell them what was our intention and try to get their approval. $15 now and it would be the raise to bring it back to the 1/3-2/3.

REPRESENTATIVE BENGTSON: That is up to 188 acres? Hemmer: That is correct. At 189 it would be $30 plus. In this instance at $15 it would be approximately 1/2 up.

REPRESENTATIVE BENGTSON: When you say classified forest lands. In the proposed law on classified forest lands they are supposed to separate all the owners of the forest. Will this be controversial because of this change?

SENATOR HIMSL: I would not think so. Primarily this is a fire district.

SENATOR AKLESTAD: Historically the owners have provided 1/3 of the funding. With this increase it will provide as much as you want up to $30. It could provide the total funding? $6 is generating 1/3 now. Hemmer: The $30 is one component the 16¢ is also a component. You would also set up and say how much is coming from the assessments. The basic reason is to keep the fund at 1/3. Basically cash up at this point.

SENATOR AKLESTAD: You anticipate not letting the 1/3-2/3 go over. You will have that type of formula?

Hemmer: If we would ever have to go above that amount we would have to come back here with another bill.

SENATOR AKLESTAD: Ratio of ownership private to public. Hemmer: The vast majority is private. The areas we are talking about is mostly private.

SENATOR HAFFEY: So right now the present acre assessment is 16¢ for every owner who has more than 37½ or 38 acres. For every owner who has that or less it is higher with the $6. If it would go to $15 per acre it would be held at 16¢ for everyone in excess and for less would be $15. If $30 it would be greater than 16¢ for every owner with less than 167 acres and 16¢ for everybody above that. Hemmer: That is correct.

SENATOR HAFFEY: We are hearing some of the same concerns. If the 1/3-2/3 is held as a sort of goal. Even with the argument that the small land owners cost more, I cannot help but think the 1/3-2/3 held, the 16¢ should go up somewhat. The $6 should not go up quite as fast. Maybe wait to reflect the reason why more services for the smaller. I get a feeling of unfairness. Hemmer: The $6 and the 16¢ is logical as explained. A lot of time was held in flanking to keep the fire away from the homes. A lot of industrial equipment was used. About ½ of the retardent was on homes to keep them from burning. You spent proportionally more time and money to protect homes.

SENATOR HAFFEY: Suppose you use $15. You talk about the industrial land owners who come in. Suppose Senator Himsl has 80 acres and I am next to him and have 95 and we are both receiving this service. Under this bill Senator Himsl would be paying a higher per acre cost at $15--a flat fee and I would be paying a flat fee for more acres. I might be paying less per acre and possibly less total. Have you really hammered this out? Hemmer: On smaller acreage it breaks down in that you are in to protect the property, and there is an agreement on that.

SENATOR GAGE: I talked to people concerned about the minimum assessment up to $30 an owner as that might affect acreage with multiple ownership. Is this per person or per owner? Representative Marks: Possibly the county got this mixed up. If they are each paying a $6 if there are 6 owners on 100 acres. A foul up in the way it is being taken from the counties to the State Lands. If each owns 6 acres and there are 6 homes then it would be $6 an acre. They might have one divided ownership and there is a mistake being made on a local level.

SENATOR KEATING: Conversly, an owner could have 3 separate tracts in the district and still be paying only on one.

SENATOR REGAN: I served on the interim finance committee. In 1974 when you were assessing these changes it seemed to me the owner paid 70% and the state the rest, then as inflation took over and fire fighting increased the ownership took less. Hemmer: I think the 1/3-2/3 has remained about the same. It was a vast increase. Sandman: The 70% came out of the committee. At that time we stated it was probably an erroneous figure. We went back and it checked out at the average of about 30%.

SENATOR HIMSL: A problem now seems to be there is a method to form a district but no method to un-form one. If individual owners wanted out we would have no way to disband it. Sandman: The campfire on Flathead Lake came off. An increased population in a forest district. As a forest fire problem it is still there since the subdivision regulations require no real review of those subdivisions. The houses are not close together but on 20 or 30 acres and still have the fire problem. Along Flathead Lake, any fire starting there will immediately endanger the area.

SENATOR HIMSL: The fire and in that area actually goes the other way and toward the lake.

REPRESENTATIVE MARKS closed by saying the 1/3-2/3 really started with the study in 1958. An institute doing the study said it should be between 25% and 40%. An average was picked of about 32%. In 1974 the 2/3-1/3 ratio was lower. It was about 26½%. From 1974 to '83 it went to 30%. This one would raise it to 33%. The higher instances of fires and on smaller acres, I think the expenses should go along with that.

SENATOR REGAN: I don't think we are ready to take executive action. I am going to put it into a subcommittee to consider some of the issues raised today. I would like to name Senators Haffey, Boylan, Manning, Himsl, Keating and Gage on this committee with Senator Haffey to chair the committee. All these members have expressed some concerns. They can study the situation and come back and make recommendations to us.

A motion was made to adjourn and the meeting adjourned at 4:45 p.m.

Senator Regan, Chairman

ROLL CALL

SENATE FINANCE AND CLAIMS COMMITTEE

49th LEGISLATIVE SESSION - - 185 Date 1-18-85

NAME	PRESENT	ABSENT	EXCUSED
SENATOR REGAN	✓		
SENATOR HAFFEY	✓		
SENATOR JACOBSON	✓		
SENATOR AKLESTAD	✓		
SENATOR HAMMOND	✓		
SENATOR LANE	✓		
SENATOR CHRISTIAENS	✓		
SENATOR GAGE	✓		
SENATOR HIMSL	✓		
SENATOR STIMATZ	✓		
SENATOR BOYLAN	✓		
SENATOR STORY			
SENATOR SMITH	✓		
SENATOR MANNING (Dick)	✓		
SENATOR BENGTSON	✓		
SENATOR KEATING	✓		

DATE 1-18-85

COMMITTEE ON Finance & Claims

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Dennis Hemmer	Dept of State Lands	HB 3	✓	
Richard Sandman	"	HB 3	✓	
Group 23 (Boy scouts)	BILLINGS	"	"	

(Please leave prepared statement with Secretary)

1-18-85

TESTIMONY - HOUSE BILL #3

DENNIS HEMMER - STATE LANDS COMMISSIONER

The Department of State Lands supports House Bill #3 which came as a recommendation of the Joint Interim Subcommittee No. 2. As way of background, the Forest Service protects two million more acres of state and private land than the state protects of Forest Service land. Historically the Forest Service has agreed to protect this acreage for the assessment, which up to this time has been 16¢ per acre. However, approximately two years ago the Forest Service notified the Department that it would either have to reduce the imbalance or pay full protection cost for those two million acres. This full protection cost would be somewhere between 44¢ and 66¢ per acre. The Department during the last session and in presentations to the Interim Subcommittee recommended that the state engage in a phased reduction. As long as the state stays in its phased reduction, the Forest Service will continue to charge the assessment cost of 16¢ per acre on the remaining acreage. However, if the state does not assume the increased protection, then the Forest Service will charge the full suppression cost. Through either option, it will cost the state more money.

The Department has recommended the $30 maximum, as contained in House Bill #3. The forest fire assessment collection has historically provided one third of the fire protection budget. This one-third private share to two-thirds public share appears to conform with the benefits received by each party. The share of the fire assessment funds provided by small ownerships, however, does not appear to be equitable in light of the values being protected and the increased fire incidence on small ownerships. For these reasons, the Department has recommended the increase in the minimum fee to $30. It would not be the Department's intention to immediately increase the assessments to the full $30. Rather, depending on the outcome of the block assumption, each biennium the Department would increase the assessment sufficiently to cover the increased costs.

The Department of State Lands supports the adoption of House Bill #3 in order to provide sufficient funding and maintain an adequate level of protection.

MINUTES OF THE MEETING
FINANCE AND CLAIMS COMMITTEE
MONTANA STATE SENATE

February 7, 1985

The 7th meeting of the Senate Finance and Claims Committee met on the above date in room 108 of the State Capitol. The meeting was called to order by Chairman, Senator Regan, following roll call at 5:32 p.m.

ROLL CALL: All members were present.

CONSIDERATION OF SENATE BILL 270: Senator Haffey, Senate District 33 said Senate Bill 270 proposes to establish a local rail service assistance account by identifying a portion of a coal severance for a period of 4 years. Senator Haffey passed around a list of proposed amendments, attached as EXHIBIT 1.

Senator Haffey said he would ask Mr. Fogarty from the Department of Commerce to explain the exhibits placed before you. On exhibit # 6A and 6B it sets forth the money that would flow to the various accounts both with and without the bill being in law. 6B shows funds that would flow to each line item with the bill becoming law. In Montana the things that have to go to market find themselves in jeopardy. Because business interests are often dependent on the branch lines to serve people in local areas they are interested in keeping the lines.

Senator Haffey said the other approach is to buy branch lines, maintain and use them. You will hear testimony about that. I prefer this bill because I think personally, that the bill is worth hearing. Depending on the persons on the line some places make sense to keep.

Mr. Bill Fogarty, Transportation Division, Department of Commerce, said he would like to give a brief overview as to why they support the concept. Since the '70's and early '80's we have lost several railroads. (he named them) Since 1980 we have lost a good deal of branch lines. Some make good sense in the system, but some do not. We feel this bill is needed because of the increasing amount of abandonments. He said the Saco-Loring line is an example. In some cases the local counties may want to look at some of them if a viable short line. One of the big problems is the way it is set up because of the staggers law. It lets them neglect the maintenance and this, in the eyes of the ICC, would provide terms for abandonment.

Mr. Fogarty said they do not pay for the actual value, they pay for the salvage value. This would be the cost of taking up the rails, ties, etc. He referred to exhibit 4 in his exhibit pack.

John Craig, Bureau Chief, Intermodal Commodities Bureau, Department of Commerce, said he would explain other parts of the exhibits. He had a large map on the wall of exhibit # 7 in their exhibit pack. He said there are 4 railroads in Montana, the U.P., Soo, B.N. and the newly formed Central Montana Railroad. The information was given from exhibit 1 of their exhibit pack.

Senator Christiaens: Do you feel $15 million is more than a drop in the bucket to what you need?

Mr. Fogarty: It would provide some sort of help.

Senator Christiaens: What kind of actual money are we talking about to do the full job?

Mr. Fogarty: This would be a revolving loan type of account. The best estimate we could make to deal with this problem for the next 5 years.

Senator Gage: What is the average cost for maintenance per mile?

Mr. Delano: New lines cost $1 million per mile. I would hesitate to say how much to maintain.

Senator Story: This is an appropriation bill.

Senator Smith: I have a question as to whether the state could get into running a railroad. The House bill says no.

SENATOR HAFFEY closed by saying he felt this was a good hearing. This is a revenue related bill. It provides for loans, and interest must be paid. It does not provide for an expenditure that is gone. The question answers itself. Do you question whether the state should play a roll in facilitating products to market? We should pay back a loan. This is an opportunity to do something, it is a chance to help Montana, this is a position. I would like to thank you all for coming.

Senator Regan declared the hearing on Senate Bill 270 closed.

CONSIDERATION OF HOUSE BILL 3: Senator Haffey, chairman of the subcommittee on House Bill 3 said they had a good subcommittee. This is the bill that proposes a change in the way the state requires land owners to participate in the cost of providing fire protection. Currently there is a $6 minimum fee and 16¢ per acre. The $6 goes up to about 37½ acres so that that or less pays more than 16¢ an acre. An interim study was conducted. The bill that came to us: 1. The state fire protection that is offered should be in a 1/3-2/3 relationship with the land owners having to pay the 1/3. The bill proposed raising the $6 minimum to as much as $30 and proposed to give the discretion to the Department of Commerce and the Finance Committee be the vehicle that the Department of Commerce would go through each year. 16¢ would stay the same in ownership of 37 acres or more. Some of us felt if one went up the other should also go up. We addressed the amendments and we wanted to save the 1/3-2/3. There is no solid foundation that they will pay this. That carried forward. We felt if in fact there was a change in the $6 it should be both to the $6 and the 16¢. These amendments would do this. Proposed amendments attached as exhibit 1, H. B. 3.

Senator Haffey said this bill would do it in accordance with the assessment, the charge per acre per year. The 75% the per acres would do it. The subcommittee came to the conclusion that raising the 16¢ to 13¢ per acre and the $6 to $8.40; the $6 would go up to $8.40 and the 75% per acre is the line in the figures on the exhibit sheet. It would, percentage wise, be 41% on the table. The 16¢ to 18¢ is a 6% increase. The larger owner is a higher percentage but a lower $ figure per acre. The sheets referred to are attached as exhibit 2, H. B. 3.

DISPOSITION OF HOUSE BILL 3: Senator Haffey moved the amendments to H. B. 3.

Senator Bengtson: What is the legislation with the state in regard to the 1/3-2/3.

Senator Haffey: This would establish it. This would bring in this year about 1/3 of what is needed to provide the coverage. It also removed the interim finance committee.

Senator Keating: These figures to establish the 1/3-2/3--Is this the line where it puts the minimum charge at $12?

Senator Haffey: I have a bad memory there--the figure should be $12.

Senator Aklestad: How much money is generated?

Senator Haffey: I do not have the amount here, it would be the amount needed to reach the 1/3 figure.

Senator Haffey's amendment was voted, passed.

MOTION by Senator Haffey that H. B. 3, as amended be concurred in. Voted and passed. Senator Haffey to carry the bill.

The meeting was adjourned at 6:57 p.m.

Senator Regan, Chairman

ROLL CALL

SENATE FINANCE AND CLAIMS COMMITTEE

49th LEGISLATIVE SESSION - - 185 Date 2-7-85

NAME	PRESENT	ABSENT	EXCUSED
SENATOR REGAN	✓		
SENATOR HAFFEY	✓		
SENATOR JACOBSON	✓		
SENATOR AKLESTAD	✓		
SENATOR HAMMOND	✓		
SENATOR LANE	✓		
SENATOR CHRISTIAENS	✓		
SENATOR GAGE	✓		
SENATOR HIMSL	✓		
SENATOR STIMATZ	✓		
SENATOR BOYLAN	✓		
SENATOR STORY	✓		
SENATOR SMITH	✓		
SENATOR MANNING (Dick)	✓		
SENATOR BENGTSON	✓		
SENATOR KEATING	✓		

Att # 1 - HB3

Proposed amendments from sub-committee on House Bill 3

1. Title, line 6.
Following: "THE"
Strike: "MINIMUM"

2. Title, line 7.
Following: "PROTECTION"
Strike: "up TO $30"

3. Page 1, Lines 22 through "76-13-207" page 2, line 1.
Following: line 21
Strike: lines 22 through "76-13-207" on page 2, line 1.
Insert: "be assessed against the land. The department shall assess the charge per acre per year necessary to yield the amount of money provided for in Section 76-13-207(1). The minimum assessment payable for such protection and assessment for each owner, per year in each protection district as shown in the most recent property tax assessment rolls of the county, is 75 times the per acre charge"

4. Page 2, lines 23 through page 3, line 3.
Following: line 22
Strike: lines 23 through line 3 on page 3 in its entirety.
Renumber: subsections

JRLEG:esl:PROP AMEND HB3

#1 HB 3

Proposed amendments from sub-committee on House Bill 3

1. Title, line 6.
   Following: "THE"
   Strike: "MINIMUM"

2. Title, line 7.
   Following: "PROTECTION"
   Strike: "up TO $30"

3. Page 1, Lines 22 through "76-13-207" page 2, line 1.
   Following: line 21
   Strike: lines 22 through "76-13-207" on page 2, line 1.
   Insert: "be assessed against the land. The department shall assess the charge per acre per year necessary to yield the amount of money provided for in Section 76-13-207(1). The minimum assessment payable for such protection and assessment for each owner, per year in each protection district as shown in the most recent property tax assessment rolls of the county, is 75 times the per acre charge"

4. Page 2, lines 23 through page 3, line 3.
   Following: line 22
   Strike: lines 23 through line 3 on page 3 in its entirety.
   Renumber: subsections

JRLEG:esl:PROP AMEND HB3

Exhibit 2
HB 3
2-7-85

H.B. 3

Problems

1. Charges to small landowners increase rapidly ($6 to $15 or 150%)
2. Fee is set in law--can't move with cost changes.
3. Joint owners of property are each charged the minimum fee--not just one fee for one parcel of land.
4. Double charges from state lands and rural fire districts.

Potential Solutions For Problems 1, 2, and 3

1. Amend 76-13-201(2) to read:

(2) If the owner does not provide for the protection and suppression, the department may provide it at a cost to be assessed against the land. The department shall assess the charge per acre per year necessary to yield the amount of money provided for in Section 76-13-207(1). The minimum assessment payable for such protection and assessment for each parcel of land, as shown in the most recent property tax assessment rolls of the county, is ~~40~~ 75 times the per acre charge. Such assessment is payable per OWNER parcel ~~or acre irrespective of the mode, type, or number of persons involved in the ownership of the land.~~ The owner of the land shall pay to the county treasurer of the county in which the land is situated the charge for the same approved by the department in accordance with this part and part 1.

JRLEG:esl:HB 3 1-18-5 (Rev 1-24)

Questions answered by State Lands in response to their testimony on House Bill 3.

QUESTION

1. Would you reimburse a landowner for his time and equipment on a fire that we were fighting? i.e., dozer.

Answer

If we were in need of his equipment and the fire was our responsibility, yes we would hire him and his dozer.

QUESTION

2. Do you reimburse rural fire departments for their efforts on Department of State Lands fires?

Answer

Some cases yes some no. In eastern Montana counties with an agreement no. When State Lands goes in to assist, we fight fire side by side. We are responsible for our own expenses. On the west side where we have districts, we may pay individuals and equipment if we need them in our suppression effort.

QUESTION

3. Is there an overlap of fire responsibility in rural fire districts between the state and the rural fire department.

Answer

The Rural fire department's only responsibility is structure fires. State Lands is responsible for forest fires. We may hire individuals, if we need them or their equipment, to suppress the forest fire. They may initially attack a fire, but normally they go home when we show up.

Schedules for Setting the Minimum acres to Raise the Money Requested by State Lands

Rate/Acre		Min Acres		Min Fee	% Total Revenue* Raised by Payers Below Min Fee	Payers Above Min Fee
16¢	X	94	=	$15	44%	56%
17¢	X	82	=	14	40%	60%
18¢	X	72	=	13	37%	63%
19¢	X	58	=	11	30%	70%
20¢	X	50	=	10	27%	73%
21¢	X	43	=	9	24%	76%
22¢	X	32	=	7	18%	82%

*1.1 million per year

94
16
56
94
$15 00

Table #1:

ASSESSMENT/ ACRES OWNED	1979 FIRE SEASON NUMBER OF FIRES	1979 FIRE SEASON PERCENT OF TOTAL	1982 FIRE SEASON NUMBER OF FIRES	1982 FIRE SEASON PERCENT OF TOTAL	1983 FIRE SEASON NUMBER OF FIRES	1983 FIRE SEASON PERCENT OF TOTAL	COMBINED NUMBER OF FIRES	COMBINED PERCENT OF TOTAL
1 - 38 ACRES	36	11.32%	21	17.95%	31	20.00%	88	14.92%
39 - 63 ACRES	9	2.83%	7	5.98%	4	2.58%	20	3.39%
64 - 94 ACRES	8	2.52%	5	4.27%	9	5.81%	22	3.73%
95 - 125 ACRES	9	2.83%	3	2.56%	1	0.65%	13	2.20%
126 - 156 ACRES	6	1.89%	1	0.85%	1	0.65%	8	1.36%
157 - 188 ACRES	6	1.89%	2	1.71%	4	2.58%	12	2.03%
189 - AND UP	244	76.73%	78	66.67%	105	67.74%	427	72.37%
TOTAL	318	100.00%	117	100.00%	155	100.00%	590	100.00%

3. Values At Risk From Fire:

Table #2:

Acres	Value/Acre	Current Assessment	Equitable Rate*
1	$ 4,527	$ 6.00	$ 90.00
20	83	6.00	33.00
38	45	6.00	34.00
80	20	12.50	32.00
140	13	22.40	36.00
180	9	28.00	31.00
500	7	80.00	70.00
640	9	102.00	115.00
1,000	8	160.00	160.00

* Calculated:

Acres x Value/Acre x .02 = Equitable Rate
.02 is the rate for assessment on the 1,000 acre parcel
Based on random samples in Flathead Co.

C. Number Of Landowners Paying Minimum Fee And Rate Per Acre:

Table #3:

Rate/ Acre	No. of Landowners	$ Collected	Min. Fee	Min. Acres	No. of Landowners	$ Collected	Total
16¢/Ac.	8,857	$643,972	$ 6	38	28,629	$171,774	$ 815,746
16¢/Ac.	3,866	603,764	$30	188	33,620	1,008,600	1,612,364

ROUGHED OUT MINUTES
SUBCOMMITTEE - HB 3 - 1-24-85

HB 3

Sub-Committee meeting, on House Bill 3 met at 11:42 a.m. Thursday, January 24 in room 108. Members of the committee, Senators Haffey, Boylan, Dick Manning, Himsl, Keating and Gage were all present.

Senator Haffey said he felt an attempt should be made to answer the questions that had been raised in the committee, and he had recalled 3 he felt were concerns of the committee; a double whammy, the question of multiple payment raised, and I had on my mind the equity if the 1/3-2/3 is an objective and even accepting on the face of it the higher incidences in the smaller areas, etc., if it is to hold just a sense of balance, if the minimum goes up to 16¢ should go up somewhat too.

Senator Haffey said in the report from the Fiscal Analyst and prepared at his request, this matter was addressed to some extent. He said if this could be addressed first the other two questions could be affected by it. He went through the proposed amendment, page 1; the questions and answers he had had checked out on page 2; and the schedule in the chart on page 3. He said a solution is presented in the bill, and in the schedule -- for instance going from the top of the chart down if the fee was changed from $6 to $15 the rate per acre would remain at 16¢ and 94 acres would be the pivot point. The present bill involves the Finance Committee, and do we want that? He said when he talked to Judy and Curt Nichols about the problem, even deferring to the arguments, still something told him the 16¢ should go up perhaps weighted? The question is--with the 1/3-2/3, should it hold in the aggregate or in pieces. If you look at the amendment Curt wrote for me, it addresses the point and brings the $6 and the 16¢ up on an appropriate level. It ties in for amending that section.

On step 2, if the minimum goes up the per acre charge above the minimum should go up? Just to give you a thought, he said, he couldn't hllp but believe the costs -- even with the in-kind and instances higher on the lower acreage, your costs on all acreage are going up. Those costs go up similarily; not proportionally, b ut they do go up.

Representative Marks said inorder to prevent that analogy you have to assume the $6 was correct. I don't think they were then.

Haffey: You have to assume both the 16¢ and the $6 were in balance.

Marks: On page 4---

Richard Sandman: If you take a look at the other charges, the mill levy, and if the values are higher you pay more. We do not do that in here. This is on an acre basis. We get worried about someone with a higher value. We took a study to see if the 16¢ and $6 were in balance now. The value goes up each year and the smaller acreage -- we spend more time protecting the higher value and we get a double whammy. In Flathead the minimum should be $31 and 16¢ to be equitable.

Himsl: What is the reason not to go on the assessment value?

Sandman: Historically, I guess it was the way it was set up and was set up by the law. For the future sometime you may have to get into it with the counties, etc.

Himsl: We pay on the assessed value now.

Sandman: Parcel. On your parcel we would be charging you $6. In Sommers on this charge they would charge you $100.

Himsl: We are not paying you enough. I don't mind paying but I don't want to get charged twice. On several we pay on the assessed value for fire protection and then you come along and charge us $6. If a validity for this, why not for you?

Hemmer: That is essentially what we are arguing. We could go to the millage but then in fact the people benefit and the 5 acres are up. The ones with 5 acres and below would go way up. We are suggesting a simplified modification of our same system. We asserted much more effort to save them and we spend more. We do not feel the 15 and 6 are in balance. The reason we settled on 30 is we projected for 8 years to see what we needed.

Haffey: We are back into structures and value per acre. I would like to ask Judy to explain the hand out.

Judy: On table one it gives the figures for increased services. There were fires more often on smaller acres. This is a table from State Lands. First, on line 1 - 38 acres they did statistics and 15% occurred on property of 38 acres or less. At the bottom it shows you those who paid the minimum fee on this contributed 31% of the private land owners. Those who owned more than the minimum paid 79%. Those who paid the minimum or less paid 21% and those who hold 38 acres or less had 15% of all the fires on their property. It shows you a relationship in taking into consideration structures by proportion.

Haffey: This tugs in the other direction. It says even though you don't fight fires it is the whole argument the interim committee went through and indicates the $6 was out of balance and both should be adjusted. Judy says percentage of fire covered relative to collections received is such that the minimum are paying 21% of what you collect and the fires are only 14% of the number of fires fought. It says to me 6 and 16 were not in balance. It says 16 should go up as should 6.

Hemmer: The cost that is not in here is in the higher cost to suppress the fires on the small acreage. While we don't protect structures we keep it away from structures.

Marks: For instance last summer when the fire went toward some subdivided property. It was minimal forest land and you don't want to send a lot of equipment there. The people had to attack it with vigor to protect the homes. If not an inhabited area they probably would not have fought it. It was not economical. In timber land we would have to find out what to do next.

Gage: Where our efforts are going-- I would say to the committee we are so far out of whack in equity in our tax system in Montana -- what about the guy who is paying a higher rate and has no fire? Where is the equity? I doubt that you can build equity in this.

Manning: That argument is almost like saying you don't need health or life insurance. I have been paying on automobile insurance for years and no accident until 2 years ago.

Gage: I think you will just have to say, this is the way it is for these reasons you are going to have to pay the cost for those who do have a fire.

Haffey: To resolve the question of the bill having the finance committee involved in it--do we want to recommend that they stay or do we want to recommend a latitude? We have an alternative here. If the subcommittee wants to take action on page 1 here we could then turn to page 3 and possibly put in the same thing as in the bill, or whatever.

Keating: I am not sure where you got the potential source page 1 (40 times the per acre charge).

Haffey: If you turn to page 3--minimum acres 94--it is tied in with the fiscal note. The fiscal note, and the bill--the bill says up to $30 in 8 years, the fiscal note suggests $15 is what is needed now. That would make 94 acres the turn-over point.

Keating: We are still continuing to put the fee in the law and no ability for the department to change the fee--the minimum fee on the basis of need or cost collection or whatever. We are carving that fee in stone.

Judy: As the cost goes up 94 would be the pivot point. If the cost goes up the large land owners would pay more the same as the smaller ones.

Keating: How does the 16¢ change?

Judy: The minimum fee changes as the department needs more money to make up the 1/3 the cost per acre would go up ;and the department would raise both.

Keating: Can it be raised without changing the law?

Judy: Yes.

Himsl: I guess I missed something. It says the cost of the land owner not more than 16¢ a year except a minimum charge, etc.

Senator Keating: That paragraph on the first page is the substitute for this.

Himsl: You don't need section 2? Judy: It will be out.

Marks: There is another thing you have left it completely open-ended. You have it saying Mr. Hemmer never comes back -- he is set up for life.

Judy: When you go to 17-13-201 the fee that the State Lands puts on cannot be more than 1/3, etc.

Keating: The appropriation will determine the cost formula on a cost-per-acre basis. The other thing it addresses is the per owner and per acre fee.

Haffey: We have item 1 amended. Line 20 would be replaced with--#2 would take out of the bill page 2 from line 23 down through page 3 line 3. If we strike all that and do put in paragraph one we would have part of the amendment which makes sense. The 40% is a key to a question. Here is the equity and then you go to 94 or go to something similar inbetween.

Keating: 94 raises the minimum to 15 and leaves harmless the 16¢. Do you want to move it from 16¢?

Hemmer: We had 16 and you have set a balance. We could go up to 17 and still have 94 x 17¢. You also recognize what you have done is solved the problem but per parcel, irrespective. If a person has more than one parcel he would pay more. I don't know what impact it will have on the counties. If our definition of how to assess becomes different than theirs we raise a problem for them.

Sandman: The chart on page 3. Those are from estimates. The only way is to make a complete run on a computer. If you peg it right at the $ amount and the estimate is wrong--you might peg it higher to leave a little leeway if the estimate is wrong.

Himsl: Subdivision people. Say 25 units and they are not sold and divided into parcels, would I pay $15 each?

Hemmer: Presently, if taxed separately, now you would. You have a legal parcel and, yes.

Keating: Even if you get a single assessment sheet showing several parcels. When a subdivider gets an assessment is he paying on the assessment or per parcel?

Hemmer: If one bill for the subdivision he should just be paying on one until the title transfers.

Keating: The assessor will have to make the decision if to whether a single tract or what. If we try writing htis in they will have to go out and assess each parcel.

Sandman: The counties will start charging us for their services. The problem y ou are trying to solve would only be aggravated.

Keating: We would like to leave out the details since we cannot tell them how to do it, only how much and they will have to set up the rules.

Himsl: Then it remains one parcel until the title is transferred.

Marks: 16¢ an acre is a big whollop to a person who doesn't have good land. $1600 right now is more than the taxes sometimes. Let's say 10,000 acres is now $1600 at 16¢ am acre. Under the bill $15

with smaller property. If then you raise it to keep it in balance you raise the bigger guy $400 and the smaller one $3.50.

Haffey: Right. Persons can just talk about absolute dollars or percentages. The percentages that go along--if 16¢ goes up by one penny you can see what this is on the percentage. If the $6 goes up to $15 the percentage is a lot higher than if the 16¢ goes up accordingly. Do we get the per-owner down?

Keating: Perhaps the way it is written it is best. Perhaps, per owner?

Judy: And no more than one assessment per parcel.

Sandman: We are collecting for different districts. Maybe one parcel in one end of the county and one in another. We collect for both.

Haffey: Could Judy sit with us and define the language. We could recommend the sense of the recommendations.

Keating: 94 x the per acre charge is going to come out with pennies. We round off to the nearest dollar?

Judy: If using a 10 base the pivot points would b e in equal amounts.

Haffey: Right now $6.16 are in a certain kind of balance. There is a whole argument that says it could go way up and still be equitable with the 16¢. My thought is the $6 and the 16¢ are inter-related. There is a whole set of alternatives. We can take the $6 up to $13. If we do that we would raise the 16¢ to 18¢ because we will be putting 70 or 72 into our language on the front page. If we put 72 in the language we raise the minimum fee from $6 to $13 which more than doubles the minimum. It would raise the 16¢ to 18¢ or 1/8 on a 16% increase in the per acre charge to the land owner. In the absence of saying where the 1/3-2/3 is--What is your pleasure?

Hemmer: Marks is coming from this--maybe you want to overhaul the whole system. He has grazing land wiht poor timber on it. He is paying the same as one with a large timber stand that has tremendous value per acre. He is subsidizing the large timber owner. You may want to overhaul the whole system and go to something else.

Keating: That would be up to another legislature as a result of a study.

Haffey: The law would say, if passed, an amount no greater than 1/3. All that would happen is if the break is 72 in the language, right now it would cause $13 and 18¢ to go into place and the minimum would be 72 acres.

Keating: What if instead of 40 times, we go to 72 times? Judy says 75 to make it even.

MOTION by Senator Keating that 75 x the per acre charge be used.

Question: What would keep it from going up three times or more--doesn't it leave it sort of open-ended?

Keating: 76-13-1202 and pages 2 and 3. The other thing we are amending and putting in 75 where it says 40 on the first page.

Senator Keating said he would again move 75 x the per acre charge be used and the amendment be subject to having the language in the bill clarified. Judy and Hemmer to check it out.

Himsl: If we take it out--the fire district does not necessarily ocnform to the ownership. Land goes over the highway, roads, etc.

Judy: I will get a check off on the committee members before we turn it over to the main committee.

Hemmer: To wrap up the one owner thing. The problem is so small. I would suggest per owner per protection the same as it is now, otherwise a problem with the assessments.

Keating's motion was voted, and passed unanimous.

January 24, 1985

We, the subcommittee on House Bill 3 do concur in the proposed amendments.

Jack Haffey
SENATOR HAFFEY, Chairman

Boylan
SENATOR BOYLAN

Richard E. Manning
SENATOR (Dick) MANNING

Himsl
SENATOR HIMSL

Keating
SENATOR KEATING

William Gage
SENATOR GAGE

STANDING COMMITTEE REPORT

February 7 19 35

MR. PRESIDENT

We, your committee on Senate Finance and Claims

having had under consideration House Bill No. 3

Third reading reading copy (blue color)

RAISE MINIMUM FOREST FIRE PROTECTION TO $30

Haffey

Respectfully report as follows: That House Bill No. 3
be amended as follows:

1. Title, line 6.
Following: "THE"
Strike: "MINIMUM"

2. Title, line 7.
Following: "PROTECTION"
Strike: "UP TO $30"

3. Page 1, lines 22 through "76-13-207" on page 2, line 1.
Following: line 21
Strike: lines 22 through "76-13-207." on page 2, line 1
Insert: "be assessed against the land. The department shall assess the charge per acre per year necessary to yield the amount of money provided for in Section 76-13-207(1). The minimum assessment payable for such protection and assessment for each owner, per year in each protection district as shown in the most recent property tax assessment rolls of the county, is 75 times the per acre charge"

4. Page 2, lines 23 through page 3, line 3.
Following: line 22
Strike: lines 23 through line 3 on page 3 in its entirety"
Renumber: subsections

AND AS AMENDED
BE CONCURRED IN

~~DO PASS~~

~~DO NOT PASS~~

Senator Pat Regan Chairman.

SENATE STANDING COMMITTEE REPORT

CORRECTED COPY

February 7 19 85

MR. PRESIDENT

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having had under consideration House Bill No. 3

Third reading reading copy (blue color)

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DO NOT PASS

Senator Pat Regan Chairman.

corrected

COMMITTEE OF THE WHOLE AMENDMENT

70

SENATE

2-12-85
DATE

3:15 p.m.
TIME

MR. CHAIRMAN: I MOVE TO AMEND HOUSE BILL No. 3

THIRD reading copy (BLUE) as follows:
Color

1. Page 2, line 17.
Following: "received"
Strike: "to"
Insert: "from such landowners to no greater than one-third of"

2. Page 2, lines 18 through 22.
Following: "in the" on line 18
Strike: "approved plan"
Insert: "appropriation."
Strike: remainder of line 18 through line 22

PC3HB3.321

ADOPT
REJECT

Thomas E. Towe

TOWE

HOUSE BILL NO. 3

INTRODUCED BY MARKS

BY REQUEST OF JOINT INTERIM SUBCOMMITTEE NO. 2

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING AN INCREASE IN THE ~~MINIMUM~~ CHARGE TO CLASSIFIED FOREST LANDOWNERS FOR FIRE PROTECTION ~~UP--TO-$30~~; LIMITING ASSESSMENTS TO NO MORE THAN ONE-THIRD OF THE TOTAL APPROPRIATED BY THE LEGISLATURE FOR FOREST FIRE PROTECTION; AMENDING SECTIONS 76-13-201 AND 76-13-207, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 76-13-201, MCA, is amended to read:

"76-13-201. Duty of owner to protect against fire. (1) An owner of forest land classified as such by the department shall protect against the starting or existence and suppress the spread of fire on that land. This protection and suppression shall be in conformity with reasonable rules and standards for adequate fire protection adopted by the board.

(2) If the owner does not provide for the protection and suppression, the department may provide it at a cost to ~~the--landowner--of--not-more-than-16-cents-per-acre-per-year and-not-less-than-$6~~ except-that-the-department-shall-make-a minimum-assessment-of-up-to-$30 per-owner-per-year--in--each ~~protection--district~~ as--necessary--to--yield-the-amount-of ~~money-provided-for-in-76-13-207.~~ BE ASSESSED AGAINST THE LAND. THE DEPARTMENT SHALL ASSESS THE CHARGE PER ACRE PER YEAR NECESSARY TO YIELD THE AMOUNT OF MONEY PROVIDED FOR IN 76-13-207(1). THE MINIMUM ASSESSMENT PAYABLE FOR SUCH PROTECTION AND ASSESSMENT FOR EACH OWNER, PER YEAR IN EACH PROTECTION DISTRICT AS SHOWN IN THE MOST RECENT PROPERTY TAX ASSESSMENT ROLLS OF THE COUNTY, IS 75 TIMES THE PER-ACRE CHARGE. The owner of the land shall pay to the county treasurer of the county in which the land is situated the charge for the same approved by the department in accordance with this part and part 1.

(3) No other charges may be assessed those landowners participating except in cases of proven negligence on the part of the landowner or his agent."

Section 2. Section 76-13-207, MCA, is amended to read:

"76-13-207. Determination and collection of costs of fire protection. (1) The department shall prepare an annual operation assessment plan in which fire protection costs are determined. The department shall request the legislature to appropriate the state's portion of the cost. After the appropriation is made by the legislature, the department shall cause an assessment to be made on the owners of classified forest land, as specified in 76-13-201, sufficient to bring the total amount received ~~to~~ FROM SUCH LANDOWNERS TO NO GREATER THAN ONE-THIRD OF the amount

specified in the ~~approved--plan~~ APPROPRIATION. ~~but--the department--may--cause--no--assessment---for---forest---fire protection--to--be-made-on-owners-of-classified-forest-lands which-will-yield-an-amount-greater--than--one-third--of--the total--appropriated--by--the-legislature-for-that-purpose-in that-fiscal-year.~~

~~(2)--On-or--before--August--1--preceding--each--regular session--of-the-legislature,-the-department-shall-inform-the legislative-finance-committee-provided-for--in--5-12-201--of the-assessments-it-expects-to-make-upon-owners-of-classified forest--lands--under--subsection-(1)-during-each-year-of-the next-biennium.~~

~~(2)(3)~~(2) On or before the second Tuesday in August of each year, the department shall certify in writing to the county assessor of each county the names of these owners of forest lands in his county, together with a description of their lands and a statement of the amount found to be due and owing by each of the owners to the department for forest fire protection.

~~(3)(4)~~(3) Upon receiving the certificate from the department showing the amount due, the county assessor shall extend the amounts upon the county tax rolls covering the lands, and the sums shall become obligations of the owner to be paid and collected in the same manner and at the same time and with like penalties as general state and county

taxes upon the same property are collected."

NEW SECTION. Section 3. Extension of authority. Any existing authority of the department of state lands to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. Section 4. Effective date. This act is effective July 1, 1985.

-End-

CONFERENCE COMMITTEE REPORT

Report No. 1

April 19 19 85

MR. SPEAKER

We, your Free Conference Committee on

House Bill 3, REFERENCE COPY, salmon

met and considered

We recommend as follows:

1. Title, line 7.
Following: "~~$30~~"
Insert: "UP TO $14"

2. Page 2, lines 1 through 8.
Strike: " BE " on line 1 through " CHARGE. " on line 8
Insert: "the landowner of not more than 17 cents per acre per year except that the department shall make a minimum assessment of up to $14 per owner per year in each protection district as necessary to yield the amount of money provided for in 76-13-207."

And that this Conference Committee report be adopted.

FOR THE SENATE

Haffey, Chm.

McCallum

Boylan

ADOPT REJECT

FOR THE HOUSE

Marks

Bardanouve

Keyser

Waldron

HOUSE BILL NO. 3

INTRODUCED BY MARKS

BY REQUEST OF JOINT INTERIM SUBCOMMITTEE NO. 2

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING AN INCREASE IN THE ~~MINIMUM~~ CHARGE TO CLASSIFIED FOREST LANDOWNERS FOR FIRE PROTECTION ~~UP--TO-$30~~ UP TO $14; LIMITING ASSESSMENTS TO NO MORE THAN ONE-THIRD OF THE TOTAL APPROPRIATED BY THE LEGISLATURE FOR FOREST FIRE PROTECTION; AMENDING SECTIONS 76-13-201 AND 76-13-207, MCA; AND PROVIDING AN EFFECTIVE DATE."

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REFERENCE BILL: Includes Free Conference Committee Report Dated 4/19

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